

Message Text

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64

ACTION ARA-20

INFO OCT-01 ISO-00 EB-11 COME-00 OMB-01 TRSE-00 PRS-01

USIA-15 CIAE-00 INR-10 NSAE-00 RSC-01 AGR-20 DRC-01

/081 W

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R 131957Z DEC 73

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 9316

UNCLAS PANAMA 6716

EO 11652: N/A

TAGS: BEXP, PN

SUBJ: COMMERCIAL ACTION PROGRAM (CAP) FOR PANAMA

REF: (A) STATE 234462; (B) STATE 116787;
(C) STATE 235103; (D) STATE A-10133, 10/10/72

1. FOLLOWING IS PROPOSED PANAMA CAP LISTING HIGHEST PRIORITY COMMERCIAL OBJECTIVES ON WHICH EMBASSY WILL CONCENTRATE DURING BALANCE OF FY 1974.

2. WE HAVE ATTEMPTED STRIKE BALANCE BETWEEN IMAGINATIVENESS AND REALISM, BUT EMBASSY DEFICIT BUDGET SITUATION, WHICH MAY NOT BE RESOLVED BY CHRISTMAS, LEAVES FUNDING UNCERTAIN FOR PARTS OF CAP. ECON/COMMERCIAL SECTION WAS, FOR EXAMPLE, PREPARING TO FILL FSL POSITION AUTHORIZED BY STATE 116787 WHEN EMBASSY BUDGET GAP EMERGED. WE NOW PLAN TO FILL THIS POSITION EARLY IN 1974 TO PERMIT FULLEST COMPLIANCE WITH CAP. WE WOULD APPRECIATE DEPARTMENT'S FAVORABLE CONSIDERATION OF THIS ITEM IN EMBASSY SPECIAL FINANCIAL PLAN IN VIEW OF HEAVY COMMERCIAL WORKLOAD.

3. FULL EXTENT OF COMMERCIAL WORKLOAD PARTIALLY INDICATED BY FOLLOWING: (DATA COVERING JANUARY TO MID-NOVEMBER 1973)
4,401 TELEPHONE INQUIRIES, 293 BUSINESS LETTERS, 434 U.S. AND LOCAL BUSINESS VISITORS, 121 TO'S, 20-25 WTDR'S A MONTH, 31
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ADS REPORTS, 2 TRADE MISSIONS, AND 264 PUBLIC REGISTRY CHECKS.
COMMERCIAL WORKLOAD IN PAST HAS PREVENTED INITIATIVES OF TYPES

ENVISAGED IN CAP. ABOVE INDICATORS REVEAL SHARP INCREASE IN COMMERCIAL ACTIVITY AT THIS POST DURING 1973 AND MORE THAN 100 PERCENT INCREASE SINCE 1970. THIS UPTURN IS OUTGROWTH OF PANAMMA'S

INCREASING ROLE AS INTREPOT, FINANCIAL CENTER (53 BANKS) AND HUB OF AIR AND SEA TRANSPORT. VALUE OF WORLD-WIDE EXPORTS TO PANAMA AND COLON FREE ZONE REACHED TOTAL OF NEARLY ONE BILLION DOLLARS IN 1972, MAKING IT AN IMPORTANT INTERNATIONAL TRADING CENTER. ONLY PART OF THIS TOTAL TRADE IS RECORDED IN PANAMA STATISTICS. THIS BORNE OUT BY OUR PRELIMINARY REVIEW OF EXPORT DATA OF JAPAN, U.S. AND OTHER SOURCES, FOR EXAMPLE, U.S. FT 455 SHOWS U.S. EXPORTS TO PANAMA OF ABOUT \$214 MILLION VERSUS ONLY \$130 MILLION RECORDED BY PANAMA IN 1972. COMPARABLE JAPANESE EXPORT DATA ARE \$413 AND \$120 MILLION.

4. PANAMA CAP, JANUARY - JUNE 1974.

A. OBJECTIVE ONE: LAUNCH A VEHICLE FOR MORE EFFECTIVE COMMUNICATION WITH THE LOCAL BUSINESS COMMUNITY ON US TRADE PROMOTION ACTIVITIES AIMED, INITIALLY, AT CAPITALIZING ON EMERGING TREND AMONG IMPORTERS OF SWITCHING TO US SOURCES OF SUPPLY (USIS CHANNELS AND FACILITIES TO BE RELIED ON IN ACTIONS TWO-FOUR). ACTION ONE: IDENTIFY AND COMPLETE LISTING OF MAJOR IMPORTERS/DISTRIBUTORS (ESPECIALLY IN APPROPRIATE TARGET INDUSTRY CATEGORIES) AND OTHER KEY TRADE AND GOVERNMENT CONTACTS IN PREPARATION FOR MAILING NEW COMMERCIAL NEWSLETTER. ACTION TWO: PREPARE ADDRESSOGRAPH PLATES ON THESE FIRMS AND CONTACTS (ACTION ONE) BY FEBRUARY 1974. ACTION THREE: PREPARE SERIES OF ARTICLES FOR NEW COMMERCIAL NEWSLETTER, EMPHASIZING LOWER COMPARATIVE PRICES OF US GOODS VIS-A-VIS THOSE OF OTHER INDUSTRIAL ECONOMIES RESULTING FROM LOWER US INFLATION RATE AND CURRENCY REALIGNMENTS/DOLLAR DEVALUATIONS. INCLUDE ARTICLE DESCRIBING HOW NEW TOP PROGRAM CAN FACILITATE MAKING NEW TRADE CONTACTS, ADDING NEW LINES FOR MORE SALES, AND LOCATING LOW-COST, RELIABLE SOURCES FOR RAW MATERIALS AND PRODUCTS (TARGET: MID-FEBRUARY). ACTION FOUR: PREPARE TOP APPLICATION/QUESTIONNAIRE AND CABLE REPORT FORMATS FOR TWO TYPES OF TO'S (EXPORT AND REPRESENTATION) AND REPRODUCE A QUANTITY TO PERMIT HANDLING ANTICIPATED INCREASE IN TO'S.

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B. OBJECTIVE TWO: INCREASE US SHARE OF AGRICULTURAL MACHINERY AND EQUIPMENT (AME) MARKET. ACTION ONE: BY FEBRUARY 15 IDENTIFY MOST PROMISING AME PRODUCT SUBGROUPS. ACTION TWO: OBTAIN FROM OFFICE OF STATISTICS AND CENSUS COMPUTER PRINT-OUT ON AME IMPORTS 1970-72. ACTION THREE: IDENTIFY PRINCIPAL AME IMPORTERS AND US MANUFACTURERS REPRESENTED IN PANAMA CITY, SANTIAGO, AGUADULCE, DAVID AND OTHER CENTERS (SUPPLEMENTING PANAMA AME BASIC RESEARCH DONE 1971). ACTION FOUR: IDENTIFY US MANUFACTURERS NOT ALREADY REPRESENTED IN KEY AME PRODUCT

GROUPS. USDOC ASSISTANCE REQUIRED IN IDENTIFYING AND CONTACT-
ING THESE SUPPLIERS, ACTION FIVE: VISIT KEY AGRICULTURAL FAIRS
EARLY 1974 TO EVALUATE THEM FOR FUTURE PROMOTIONAL ACTIVITY.
ACTION SIX: DISCUSS WITH PROMINENT EXHIBITORS AND DISTRIBUTORS
POSSIBLE REPRESENTATION TRADE OPPORTUNITIES AND URGE THEM TO ATTEND
AME EVENTS SCHEDULED AT USTC MEXICO CITY AND IN US. SECURE ADVANCE
SUPPLY OF EXHIBIT LITERATURE; USIS TO PROVIDE MEDIA SUPPORT.)

C. OBJECTIVE THREE: ASSIST US MANUFACTURERS IN MAKING
BIG TICKET SALES ON MAJOR PROJECTS. ACTION ONE: OBTAIN ESSEN-
TIAL INFORMATION SOONEST ON ALASKA PIPELINE PROJECT ON WHICH
PANAMA TRANS-ISTHMUS OIL/MINERAL SLURRY PIPELINE PROJECT IS CON-
TINGENT. ACTION TWO: MEET WITH PANAMA PIPELINE PROJECT COORD-
INATOR TO PROVIDE ABOVE DATA ON ALASKA PROJECT. ESTABLISH THERE-
BY A CLOSER WORKING RELATIONSHIP AND OPEN CHANNEL FOR EARLY
WARNING" REPORTING ON THIS AND OTHER PROJECTS OF SPECIAL PRO-
JECTS OFFICE AT MINISTRY OF COMMERCE. ACTION THREE: PREPARE
TABLE OF ALL MAJOR PROJECTS UNDER WAY OR PLANNED IN NEXT SEV-
ERAL YEARS SHOWING ESTIMATED VALUE, TIMING, STATUS, AGENCY RES-
PONSIBLE AND OTHER KEY DATA. ACTION FOUR: PREPARE SPECIAL TRADE
OPPORTUNITY (STO), MAJOR TRADE OPPORTUNITY (MTO), "EARLY WARNING"
OR OTHER REPORTS ON AS MANY MAJOR PROJECTS AS POSSIBLE, IN ORDER OF
IMPLEMENTATION/IMPORTANCE BY END OF FY 1974.

D. OBJECTIVE FOUR: REALLOCATE EMBASSY'S AVAILABLE
RESOURCES TO COMMERCIAL PROGRAM. ACTION ONE: IMMEDIATELY
REVIEW EMBASSY'S CERTP REQUIREMENTS AND RECOMMEND TO WASHING-
TON ELIMINATION OF REPORTS FOR WHICH TIME COULD BE
BETTER USED FOR COMMERCIAL ACTIVITIES. ACTION TWO: EXAMINE
CERP PUBLICATIONS PROGRAM FOR POSSIBLE SHIFTING OF PURCHASING,
COLLECTION, PACKAGING AND OTHER PHYSICAL HANDLING TO OTHER
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SECTION OF EMBASSY (175 ITEMS NOW PROCURED AND POUCHED TO 18
WASHINGTON ADDRESSEES BY COMMERCIAL SECTION). ACTION THREE
E E E E E E E

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 13 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973PANAMA06716
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: PANAMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731227/aaaaatkd.tel
Line Count: 148
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
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Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags: ANOMALY
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Review Event:
Review Exemptions: n/a
Review History: RELEASED <07-Nov-2001 by williad>; APPROVED <26 FEB 2002 by kelleyw0>
Review Markings:

Declassified/Released
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EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COMMERCIAL ACTION PROGRAM (CAP) FOR PANAMA
TAGS: BEXP, PN
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Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005